

MSDDC FREIGHT TRAFFIC RULES PUBLICATION NO. 6A (MFTRP NO. 6A)

RULES AND ACCESSORIAL GOVERNING PIPELINE

(See Item 5 For Specific Application)



**HEADQUARTERS
MILITARY SURFACE DEPLOYMENT AND
DISTRIBUTION COMMAND
OPERATIONS CENTER
FORT EUSTIS, VA 23604-1644**

**THIS VERSION INCLUDES ALL REVISIONS
THROUGH 21 JANUARY 2005**

MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND (SDDC) PIPELINE
RULES PUBLICATION NO. 6A
(MFTRP NO. 6A)
(THIS CANCELS MFTRP NO. 6)

RULES AND ACCESSORIAL SERVICES
GOVERNING THE MOVEMENT OF
DEPARTMENT OF DEFENSE (DOD)
PETROLEUM PRODUCTS BY
PIPELINE CARRIER

(SEE ITEM 5 FOR SPECIFIC APPLICATION)

THIS PUBLICATION IS NOW ON THE INTERNET

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SUBJECT	EFFECTIVE DATE
Original (O)	February 1, 1995
New (N)	November 30, 2000
Change 1 (C1)	November 30, 2000
Change 2 (C2)	June 01, 2001
Update	October 20, 2005
Change 3	January 21, 2005

TABLE OF ITEM CANCELLATIONS:

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55	Prompt Payment Act	November 30, 2000
60	Exception to Billing Procedures	November 30, 2000
245	Location of Origin/Destination Points	November 30, 2000

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SECTION 1

GENERAL APPLICATION AND INSTRUCTIONS

*For Explanation of Abbreviations and Reference Marks
See Section 5*

ITEM 5**PURPOSE AND APPLICATION**

1. The purpose of this publication is to identify pipeline transportation service needs of the DOD for movement of petroleum products; to ensure pipeline carriers providing transportation have the willingness and capability to meet those needs; and to provide standardization necessary for achieving a fully automated system for managing transportation and distribution of petroleum products. Movements for the United States Coast Guard (USCG) are also covered by this publication. References throughout this publication to DOD shall be understood to include the USCG.

2. The rules and accessorial charges contained in this publication are mandatory for all pipeline carriers transporting refined petroleum products for the DOD. This publication shall apply to DOD shipments in interstate commerce and shipments from, to, or between those points in the continental United States (CONUS) that are specified in the individual DOD Standard Tender of Freight Services, MT Form 364-R, filed with Military Surface Deployment and Distribution Command, ATTN: SDG , Building 661, FORT EUSTIS, VA 23604-1644. This publication (MFTRP NO. 6A) must be shown as a governing publication in Section B of the MT Form 364-R in order for the tender to be considered for DOD routing. Except as shown below tenders may not be made subject to any other publications for application of the rates and charges therein. The publications, and successive reissues, listed below shall be considered as part of this rules publication and will not be listed in Section B of the tender form.

a. National Motor Freight Classification (NMFC), Tariff Interstate Commerce Commission (ICC) NMF 100-series (commodity item numbers and descriptions only), published by the National Motor Freight Traffic Association, Inc., Agent, 2200 Mill Road, Alexandria, Virginia 22314. Carriers will use NMFC Item 155250 for all petroleum products that are not specified in ITEM 225 herein.

b. Continental Directory of Standard Point Location Codes (SPLC), ICC NMF 102-series, published by the National Motor Freight Traffic Association, Inc., Agent, 2200 Mill Road, Alexandria, VA 22314.

c. Code of Federal Regulations, Title 49 (49 CFR).

d. SDDC Standard Tender Instructions Publication No. 364.

e. Directory of Standard Multi-Modal Carrier and Tariff Agency Codes (SCAC/STAC), ICC NMF 101-series, published by the National Motor Freight Traffic Associations, Inc., Agent.

f. Intermodal Transportation, as applicable: American Trucking Association (ATA) Hazardous Materials Tariff ICC ATA-111-series, published by the National Motor Freight Traffic Association, Inc., Agent, 2200 Mill Road, Alexandria, Virginia 22314.

g. Intermodal Transportation, as applicable: Bureau of Explosives Tariff ICC BOE-6000-series, published by the Association of American Railroads, Agent, 50 F Street, NW. Washington, DC 20001.

h. American Petroleum Institute-American Society for Testing and Material (API-ASTM) Correction Tables.

3. When rules, regulations, charges or other provisions provided by SDDC in specific publications, including solicitations, agreements or contracts, differ from or conflict with provisions of this publication, provisions contained in the specific publication, solicitation, agreement or contract will apply, but only to specific movements named therein.

4. Carriers must independently establish their level of accessorial charges, for each accessorial service offered, by inserting in Section F, Item 3 (accessorial services) of their tenders, the accessorial service code(s) and charge(s) offered with or without charge that will apply to the movements covered by each tender. (See Item 10)

5. Rule titles that are not followed by ANSI three-character codes do not contain accessorial charges. These rules are not optional, but are binding on all carriers subject to this publication.

6. The MFTRP 6A governs pipeline government rates quoted under the 49 USC 15504, and refers to government rate quotes filed under the 18 CFR §§ 344.1 and 344.2 (the FERC regulations). Under the FERC regulations and 49 USC 15504 the carrier's rates must not exceed their commercial rates for the same or similar transportation services.

ITEM 10

INSTRUCTIONS: HOW TO USE THIS PUBLICATION

1. Design of Publication. This publication has five sections:

Section 1 contains general application and instructions.

Section 2 contains general rules and accessorial services applicable to all pipeline carriers subject to this publication.

Section 3 contains special rules and optional accessorial service provisions applicable to participating pipeline carriers.

Section 4 contains unique rules limited to individual negotiated movements.

Section 5 contains abbreviations and reference marks.

Except as otherwise provided, this publication is to be used solely with the DOD Standard Tender of Freight Services (MT Form 364-R), hereafter referred to as tender.

2. Accessorial Services Provided for a Charge.

a. Carriers will enter in, Section F, Item 3, of the tender, those accessorial services they are willing to and can provide. Item 3 will be completed by entering the American National Standards Institute (ANSI) three-character codes (which immediately follows the title of each optional accessorial service rule) and sub-item code for each charge under the "Service" column in Section F of the tender. Opposite each service code and sub-item code entered, carrier will then enter, under "Charge" column, the charge for that service. For example, if a carrier wishes to provide Additive Injection Blending Service (AIB), the following information would be shown in Section F, Item 3, of carrier's tender:

<u>SERVICE</u>	<u>CHARGE</u>
<u>A J 1</u>	\$ <u>0 0 0 0 . 0 7 0 0 0</u>
<u>A J 2</u>	\$ <u>0 0 0 0 . 1 0 0 0 0</u>
<u>A J 3</u>	\$ <u>0 0 0 0 . 1 5 0 0 0</u>

b. If a service is to be provided at no charge, see paragraph 3, below.

3. Accessorial Services Provided Without Charge.

a. If a carrier wishes to provide a particular service, e.g., Filtration Service (FTR), but chooses to waive the charge for the entire service, the ANSI three-character codes (FTR) would be shown in the "Service" column followed by all zeros in the "Charge" column (see Example #1). The use of the ANSI three-character codes will include all sub-item charge numbers for the service, i.e., FTR (1), FTR (2), and FTR (3). If a carrier wishes to charge for FTR (1) and waive charges for FTR (2) and FTR (3), Section F (3) of the tender would be completed as shown in Example #2. But, if a carrier does not wish to provide a service or a portion of that service, then no entry for that service or that part of a service will be made in Section F(3) of the DOD tender.

Example #1:	<u>SERVICE</u>	<u>CHARGE</u>
	<u>FTR</u>	\$ <u>0000</u> . <u>00000</u> (all filtration services are provided without cost to the Government).

Example #2:	<u>SERVICE</u>	<u>CHARGE</u>
	<u>FTR 1</u>	\$ <u>0000</u> . <u>15000</u>
	<u>FTR 2</u>	\$ <u>0000</u> . <u>00000</u>
	<u>FTR 3</u>	\$ <u>0000</u> . <u>00000</u>

b. Accessorial services that have been included in line-haul charges are to be listed in Section F, Item 2 as a zero charge.

4. Whenever an ANSI three-character code and sub-item code is entered under "Service" column, the opposite nine-character field under "Charge" column must be completely filled in. This must be done whether carrier chooses to do the service at a stated charge or without charge. Unused spaces in character field will be filled in with leading or trailing zeros.

ITEM 15**AMENDING THIS PUBLICATION**

1. SDDC Deployment Support Command will amend this publication on an “as-needed” basis.
2. Changes (other than those correcting typographical errors, page layouts, etc.) to this publication will be publicized in writing using at least one of the following methods:
 - a. Announcement in the Federal Register.
 - b. Automated announcement by fax to carriers. (SDDC maintains a database of carrier fax numbers. Carriers are encouraged to provide updated fax numbers to SDDC Customer Service at 800-526-1465.)
 - c. Postings to SDDC’s website
3. Federal Register announcements are available by doing an online search at:

http://www.archives.gov/federal_register/index.html
4. Each amended ITEM will bear its most recent change number in its title line and in the table of contents. The dates of each change to original edition will appear in Table of Contents and in ITEM 1015. See ITEM 1015 for details. Change numbers refer to ITEM numbers, not page numbers.
5. The latest version of this publication will be available on SDDC’s website:

<http://www.mtmc.army.mil/frontDoor/0,1865,OID=2--15-69--69,00.html>

The right side of the footer on each page (except the cover sheet of each Section) will give the effective date. The left side of all but Original Edition will read: Includes Changes through Change _____. The footers will thus appear as follows:

Includes Changes through Change _____ [#] _____	Effective: _____, 20__
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6. Each Section will have a separate page numbering system, e.g. Page 2-3 indicates third page of Section 2. Changes in any particular section which are of sufficient length to affect page numbering will result in renumbering of pages from affected page until end of section. Readers who maintain a hardcopy of this publication are therefore advised to, at a minimum, download, print, and replace all renumbered pages accordingly.
7. All suggested comments will be provided on the Domestic Business Service Comment form—see item 511. Any interested party may send suggestions for amendments to this and other SDDC Freight Rules Publications to SDDC at:

dscrules@sddc.army.mil

ITEM 20**EXPIRATION DATE OF TENDER**

(Exception to Item 500, paragraph 10, for Section A in SDDC Standard Tender Instruction Publication No. 364)

Except as provided in ITEM 285, TIME-PERIOD RATES, pipeline carriers are not required to insert an expiration date in Item 10 of the DOD tender. If an expiration date is blank, all data fields in Item 10 will remain blank--no zeros.

ITEM 25**FRACTIONS**

When application of a carrier's independently established rates in Section D, and accessorial charges in Section F results in transportation charges in fractions of a cent, fractions shall be disposed of as follows:

Fractions of less than one-half of one cent shall be omitted.

Fractions equal to or greater than one-half of one cent shall be increased to next whole cent.

ITEM 30**49 USC 15504 - DEFINITION**

The MFTRP 6A governs pipeline government rates quoted under the 49 USC 15504, and refers to government rate quotes filed under the 18 CFR §§ 344.1 and 344.2 (the FERC regulations). Under the FERC regulations and 49 USC 15504, the carrier's rates must not exceed their commercial rates for the same or similar transportation services.

ITEM 35**STATING LINE-HAUL RATES IN
TENDERS**

1. Carriers will only use Rate Qualifier "BB" (Per Barrel) and will state all line-haul rates in Section D, Point-to-Point Rates, of the DOD tender.
2. Section E (Territorial Rates) is not applicable to pipelines and need not be submitted.
3. Pipeline carriers will submit only Item 3 of Section F. Items 1 and 2 have no application to pipeline and should not be submitted.

ITEM 40**TRANSPORTATION CHARGES**

Transportation and accessorial charges will be assessed and collected at rates cited in tenders governed by this publication in effect on date of shipment at origin.

ITEM 45**STANDARD POINT LOCATION CODES**

1. Tenders submitted by carriers with pipeline service into the corporate limits of the origin or destination city and military installation (whether within or outside corporate limits of a city) must use specific nine-position SPLC and corresponding

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narrative information for that activity. Such origin or destination cities that consist of six numbers only, but in entering the SPLC must be followed by three zeros to enter into the DOD tender to complete the entire nine-position SPLC field.

2. When the specific nine-position installation SPLC is used in a tender, that tender will apply even if the SPLC and narrative information shown on the Bill of Lading (BL) covers the city in which the installation is located or the installation's U.S. postal delivery address.

3. Pipeline carriers needing information on SPLC application should contact Military Surface Deployment and Distribution Command ATTN: Tender Management Team (SD& GD-BP), 661 Sheppard Place, Fort Eustis, VA 23604-1644.

4. Government installations named in origin or destination blocks of the BL will be recognized as intended origin or destination, regardless of any conflict with a post office address. Transportation charges will apply from or to the installation origin or destination points designated, regardless of location of receiving or shipping facilities within installation boundaries.

ITEM 50**ALTERNATION OF RATES**

1. When different rates or charges are published in the same tender, or in different tenders filed by the same carrier, between same points of origin and destination, for same product, and for same service, rate or charge that results in lowest overall cost to the Government will apply.

2. See ITEM 250, MAXIMUM CHARGES.

ITEM 56**ELECTRONIC COMMERCE/
ELECTRONIC DATA INTERCHANGE**

1. Electronic Commerce (EC) is electronic exchange of routine business documents between trading partners. Electronic Data Interchange (EDI) is a type of EC. EDI is computer-to-computer exchange of routine business documents in machine-readable form. EDI utilizes publicly defined standards of the American National Standards Institute (ANSI).
2. To participate in the DOD EC/EDI program, all commercial trading partners (e.g. carriers, vendors) must execute an EC/EDI Trading Partner Agreement and comply with applicable instructions, standards, and conventions. The EC/EDI Trading Partner Guide for Defense Transportation is available under "Freight Transportation" on SDDC's website at: <http://www.sddc.army.mil/CONTENT/2494/TPA.pdf>
3. Participation in the EDI program requires compliance with published ANSI Accredited Standards Committee X12 standards and DOD EDI implementation conventions when electronically exchanging transportation or transportation-related data with DOD transportation components or their agents. The commercial EDI trading partner must be capable of:
 - a. Electronically exchanging shipment, rate, and award information;
 - b. Securing freight payment services for the DOD using the value-added US Bank PowerTrack service;
 - c. Receiving Electronic Funds Transfer (EFT); and
 - d. Providing delivery and/or shipment status reports to PowerTrack and/or US TRANSCOM (or its component commands) through DOD's EC infrastructure.
4. Commercial vendors/carriers who exchange EDI transactions with DOD transportation components or their agents may exchange business data through third-party value-added-networks (VANs) which must be compatible with the DOD system or DOD's ECI.
5. In compliance with the National Debt Reduction Act, all vendors wishing to do business with the DOD or receive payments for goods or services must be registered in the Central Contractor Register (CCR). Further information on CCR registration is available at:

<http://www.ccr.gov/>

6. Points of Contact:

- a. For information pertaining to CCR/TPA, call 703-428-2915, or write:

HQ SDDC
Office of the Deputy Chief of Staff for Information Management
ATTN: MTIM-I (EC/EDI Coordinator)
200 Stovall Street (Hoffman II Building)
Alexandria, VA 22332-5000

- b. For information about Tender submission by Electronic Data Interchange, call (757) 878-7470, or write:

HQ SDDC
Automation Systems Team
Mr. Richardson Cody
661 Sheppard Place
Ft Eustis, VA 23604

ITEM 57**ELECTRONIC SPOT BID APPLICATION**

1. The single-factor charge for Spot Bid shipments includes both line haul and all required accessorial/protective services identified by the shipper at time of solicitation. This single-factor charge does not alternate with any other rates or tenders. This non-alternation for Spot Bid takes precedence over any alternation rule found elsewhere in this publication.
2. If a requirement for any additional accessorial/protective service(s) is identified:
 - a. After solicitation but before pickup: the solicitation (and award, if applicable) will be cancelled, and shipment resolicited to include additional services.
 - b. During/after pickup: charges for additional requirements will be negotiated with the carrier by SDDC and/or TO. A basis for comparison for such negotiations may be rates on file for accessorial/protective services shown in current approved carrier voluntary tenders.
3. If the need for fewer accessorial/protective services is identified after solicitation but before pickup, DOD reserves the right to cancel award and resolicit shipment based on new requirements.
4. The rules in this publication will apply to shipments awarded via the Electronic Spot Bid process.
5. Spot Bids will be processed through the Surface Distribution and Deployment Command on behalf of those TOs who are unable to do so.

ITEM 58**POWER TRACK**

1. PowerTrack is an electronic freight transaction tracking and payment system that eliminates paperwork traditionally associated with transportation processes. Its many features include rapid payment, capturing of freight data, streamlining freight accounting, and simplified billing procedures. The Secretary of Defense has mandated the use of PowerTrack for most procurements of DOD transportation, including all procurements covered by this publication. Therefore, effective November

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30, 2000, carriers, even if otherwise qualified, which are not PowerTrack, certified would not be eligible to carry any DOD freight, which is subject to the rules of this publication.

2. When discrepancies arise which affect freight payments, PowerTrack provides online tools to enable a quick resolution of any disputed charges. In particular, PowerTrack's eBill process can be used for adjustments to various freight charges (e.g. accessorial, detention, demurrage).

3. Payment of charges for transportation services shall be made only upon completion of services as evidenced by the carrier or carrier's agent's certification of delivery at destination. Such certification shall be made electronically using PowerTrack, and shall not be made until the shipment has actually been delivered. Any certification of delivery prior to actual delivery could result in disqualification or disbarment of carrier from government transportation programs and procurements.

4. Carriers wishing to become PowerTrack certified should contact US Bank at 612-973-6597 or 1-800-417-1844 as soon as possible. Additional information on PowerTrack is available at:

www.usbank.com/powertrack

5. This publication presupposes the use of PowerTrack, and its language is based on PowerTrack procedures. Nonetheless, in some locations PowerTrack may not yet be available. In such cases only, paper BLs may continue to be used for a limited time pending installation of PowerTrack at those locations, and PowerTrack procedures described in this publication will not apply.

ITEM 65

RELEASED VALUE RATES

1. Released value rates, or limited liability rates, will not apply to DOD pipeline traffic. See ITEM 240, LIABILITY OF CARRIER.

2. Item 15 of the tender will not be completed.

SECTION 2

GENERAL RULES

For Explanation of Abbreviations and Reference Marks Used Herein
See Section 5

ITEM 200**ACCEPTANCE OF PRODUCTS FOR TRANSPORT**

1. Carriers will accept petroleum products for transportation in accordance with the Operating Agreement with Defense Fuel Supply Center (DFSC).
2. Carrier obligation to accept petroleum products for transportation or load petroleum products into carrier's facilities is limited to such times as petroleum products of compatible quality and of compatible specifications are being transported through or held in carrier's facilities. The carrier is not obligated to accept for transportation such petroleum products that might contaminate or damage other shipments beyond what is acceptable by industry standards, nor contaminate or damage Government petroleum product.
3. Products will be accepted for transportation only:
 - a. When consignor has made necessary arrangements to tender products and deliver them into carrier pipeline at pumping rates and pressures adequate to meet the minimum required throughput, or lesser throughput rates acceptable to carrier on a case-by-case basis.
 - b. When those products requiring corrosion inhibitors contain qualified compounds satisfactory to the carrier.

ITEM 205**ADVANCING CHARGES**

1. Carriers shall advance, for subsequent collection from the Government, lawful charges incurred for furnishing inhibitors, additives, and services, not otherwise billed to the Government, in the normal course of pipeline transportation, and as requested by DFSC.
2. The service provided and carrier will annotate actual cost incurred for that service on carrier's invoice as "Miscellaneous Costs." For example, when a carrier furnishes additives, Bill of Lading (BL) would be annotated as follows: "Miscellaneous Costs: Additives - \$50." The carrier's invoice will be validated by supporting Government Quality Representative and forwarded to Defense Energy Supply Center (DESC) DESC-RB for payment. Copy of the invoice will be provided to the appropriate Defense Fuel Region (DFR). The carrier for audit purposes will maintain documentary evidence that the charges claimed were actually incurred and advanced.

ITEM 210**CLAIMS**

Carriers will process U.S. Government claims for loss, damage, overcharge, and duplicate payment in accordance with applicable laws, and in accordance with the regulations applicable to U. S. Government property as published in Part 102-117, Title 41 of the Code of Federal Regulations. Claims for loss or damage will, in addition to the above, be subject to, or enhanced or limited by, the rules contained in this publication and agreements between the carrier(s) and DESC.

ITEM 215**COMMINGLING/LOSS ALLOWANCE**
(LAS)

1. Normal commingling which occurs between batches may be divided as equally as possible among shippers participating in batches causing commingling.

2. Carriers will be liable for 100 percent of losses due to commingling and/or evaporation, except as provided in paragraph 4 of this item or loss allowance provided in Section F, Item 2 of the tender:

Loss Allowance.....LAS (1) _____ percentage (initial receipt into storage tanks)

Loss Allowance.....LAS (2) _____ percentage (terminal operations) See Note: Chapter 5, DOD 4140.25-M DODM, 22 Jun 94 DEPARTMENT OF DEFENSE MANUALS DOD Management of Bulk Petroleum Products, Natural Gas, and Coal Acquisition and Technology

3. Water and other impurities, not in shipment when it was tendered to carrier, will be deducted from the volume of shipment, and not be considered part of shipment at time of delivery.

4. Operating agreements between DESC and pipeline carrier, containing commingling/loss allowance provisions contrary to provisions of this item, will take precedence over provisions of this item.

ITEM 220**DETERMINATION OF QUALITY**

1. The determination or verification of quality of petroleum products shipped, or tendered for shipment, will be by conducting analysis as prescribed in current operating agreement between DESC and carrier, or in the absence of such agreement, by acceptable industry standards.

2. Where carrier tests petroleum products, DOD will have the privilege of having a representative present to observe such testing.

3. In cases where a dispute exists as to the quality of the petroleum product, either party will have the right to review the analysis and/or re-test the quality of the petroleum product.

4. Responsibility for verification of quality:

- a. It shall be the responsibility of origin carrier to verify quality of the petroleum product tendered for shipment.
- b. It shall be the responsibility of DOD to verify quality of the petroleum product at destination.
- c. At points other than origin or destination, petroleum products may be tested by carrier or DOD, as agreed to or as found necessary.

ITEM 225**DOD UNIQUE COMMODITY CODES FOR PETROLEUM PRODUCTS**

1. The DOD Unique item numbers listed in paragraph 2 below with their descriptions will be used in Section A, Item 14, of the DOD tender, place an "X" next to "DOD Unique" in the "Classification used" data field. The NMFC Item No. 155250 will apply to all other petroleum products that are not included in paragraph 2 below.
2. DOD Unique Commodity Codes. Petroleum products must be further identified by the following standard codes and descriptions and designators:

Gasoline/Gasohol, Automotive	999915-01
Gasoline, Aviation	999915-02
Kerosene	999915-03
Turbine Fuel, Aviation other than JP-4, 5,7,8,10, or JPTS	999915-04
Diesel Fuel, Marine	999915-05
Fuel Oil, Burner	999915-06
Lubrication Oil	999915-07
Turbine Fuel, Aviation JP-4	999915-08
Turbine Fuel, Aviation JP-5	999915-09
Turbine Fuel, Aviation JP-7	999915-10
Turbine Fuel, Aviation JP-8	999915-11
Turbine Fuel, Aviation JP-10	999915-12
Turbine Fuel, Aviation JP-13	999915-12

Example:

NUMBER

DESCRIPTION

9 9 9 9 1 5 - 1 1

[Turbine Fuel, Aviation JP-8]

3. See SDDC Standard Tender Instruction Publication No. 364, Item 500, paragraph 14 for detailed explanation concerning completion of Item 14 of the tender.

ITEM 230**INADVERTENCE RULE**

1. Tenders inadvertently accepted and distributed by SDDC, which are later found to be not in compliance with DOD tender filing instructions, or applicable SDDC rules publication, are subject to immediate removal. Issuing carrier will be advised when tenders are being removed under these circumstances.
2. If after acceptance and distribution a tender is rejected for cause, as stated in preceding paragraph, any charges for services performed during the time the tender was on file will be paid based on the applicable tender on file at time of movement which produces lowest overall cost to the Government.
3. If there are no tenders on file for a specific movement(s), or when a shipment moves from point to point without an applicable tender being in effect, SDDC will negotiate the rates with involved carrier. Such negotiations may have retroactive applicability. In such cases, consideration of a maximum rate will be based on any commercial rate applicable to the movement in question and other tender rates on similar movements.

ITEM 235**INTERMODAL MOVEMENTS**

When a pipeline carrier issues a tender listing a single factor through rate from origin to destination, and such movement is performed by pipeline in conjunction with barge, rail, or motor service, DOD-approved carriers will be used, when available. The pipeline carrier maintains responsibility and liability for through movement. For purposes of this publication, the shipment will be

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considered as a pipeline movement and will include the barge, rail, or motor portion. This publication will govern such pipeline/barge, pipeline/rail, or pipeline motor through movements.

ITEM 240**LIABILITY OF CARRIERS AND TERMINAL OPERATORS**

1. Pipeline carriers and terminal operators are subject to common carrier liability for loss or damage.
2. Except as otherwise provided in Item 215, COMMINGLING/LOSS ALLOWANCE, carriers and terminals are liable for all loss or damage to goods transported by them unless they affirmatively show that loss or damage was occasioned by shipper, acts of God, acts of public enemy, public authority, or inherent vice or nature of commodity.
3. The carrier or terminal shall not be liable for loss due to discoloration or deterioration of the product if carrier shows such loss is not a result of carrier/terminal negligence or carrier's or terminal's wrongful act.

ITEM 250**MAXIMUM CHARGE**

In no case shall the rate for any shipment of lesser quantity be greater than the rate for a greater quantity of petroleum product from and/or to the same place at the same time.

ITEM 255**MEASUREMENT OF VOLUME**

Volume measured at origin and destination will be corrected from observed temperatures to a basis of 60 degrees Fahrenheit by use of applicable API-ASTM correction tables.

ITEM 260**PRORATION EXCESS OF PIPELINE CAPACITY**

Should petroleum products be tendered for shipment in excess of capacity of pipeline carrier's lines, shipments will be accepted and apportioned for transportation on an equitable basis consistent with prior shipping orders and pipeline carrier's facilities and operating conditions (see Exception). Petroleum products owned by the pipeline will participate in such apportionment.

EXCEPTION: Priority will be given to DOD petroleum products during emergencies, contingencies, and in those uncommon situations when required for the national defense. DOD will provide pipeline carriers a verbal notification of these situations and then written confirmation.

ITEM 265**RECONSIGNMENT/DIVERSION**

Carriers will provide reconsignment/diversion service for DOD shipments upon written request or oral request confirmed in writing from DESC or their region(s) subject to following definitions, conditions, and charges:

- a. Definitions. The terms "reconsignment" and "diversion" are synonymous, and use of either will mean:
 - (1) A change in name of consignee within original destination point;
 - (2) A change in destination;
 - (3) A change or other instructions that require an additional movement of shipment;
 - (4) A change in place of delivery within original destination point.
- b. Conditions.

(1) Carriers will make a diligent effort to execute a request for reconsignment, but will not be responsible if such service is not effected for good reason.

(2) Entire shipments or portions of shipments may be reconsigned.

(3) Carriers will not be expected to disrupt operations or shipping sequence to effect a reconsignment.

c. Charges.

(1) If no out-of-line movement or back haul is required, reconsignment will be made without additional charge, at the rates and charges applicable from origin to destination.

(2) Except as provided in subparagraph c(1) above, the through charge will be the rate from origin to point of reconsignment plus the rate from point of reconsignment to destination, in addition to any other applicable charges. If carrier does not have an applicable tender line-haul rate, tender rates will be negotiated between the carrier and HQSDDC prior to the submission of carrier voucher for payment of freight charges.

ITEM 270

ROUTING

In the absence of instructions to carrier(s) from shipper, DESC, or SDDC, selection of interlining carriers, pipeline routes, methods of operations and facilities shall be the responsibility of the originating carrier. The originating carrier will select those interlining carriers, pipeline routes, methods of operations and facilities which are operationally feasible and which result in best overall cost to the Government.

ITEM 275**SCHEDULING OF SHIPMENTS**

1. As agreed to by carrier and shipper, and/or as stated in the operating agreement between DFSC and carrier, or as provided in special rules subject to Section 4 of this publication, the shipper will pre-notify the carrier of shipments to be tendered for transportation.
2. DOD will not be subject to any scheduling requirements, except as provided in paragraph 1 above.

ITEM 280**SERVICES NOT OTHERWISE SPECIFIED**

Where carriers perform services required for normal movement of petroleum products and such services are neither identified in this rules publication nor covered by carriers tender, charges for such services will be negotiated with carrier by SDDC and/or T.O. Rates published in carrier tariffs and/or other carrier publications will not apply; however, the government should never pay more than their commercial tariff rate for the same services. Thus, tariff rates under 49 USC 15504 constitute ceiling rates.

ITEM 285**TIME-PERIOD RATES****(This item applies only to time-period rates)**

1. Where rates are based on a specific volume to be shipped within a specific time period, the tender will show an effective date and an expiration date (Section A, Items 9 and 10 of the DOD tender) to reflect time period during which those rates are in effect.
2. For rates based on specific volumes shipped within a specific time period, rates and volumes will be listed in Section D of tender as follows:
 - a. Item 1, Rate Qualifier will be BB (per barrel).
 - b. Item 2 (Minimum Weight/Volume/Quantity), state minimum number of barrels for which rates applies.
 - c. Item 3 (Table of Rates), state rates in columns corresponding with minimum.
 - d. For every minimum shown in Item 2, there must be a corresponding rate. It is not necessary to show a minimum in every column.

For example, when rates in Item 3 of Section D are:

\$.19 per barrel for the first 300,000 barrels;
\$.175 per barrel for over 300,000 barrels but less than one million barrels; and
\$.1655 per barrel for the one-millionth barrel and volume in excess of one million barrels.

Volumes will be stated in Item 2 of Section D as:

Minimum Volume:

(A) 0 3 0 0 0 0 0, (B) 0 9 9 9 9 9 9, (C) 1 0 0 0 0 0 0, (D) -----

3. If a carrier wants to offer more than four minimum volumes, as there are columns for only four minimum volumes in Item 2 of Section D, the following will apply:
 - a. The columns in Item 2 of Section D will be completed; and
 - b. Additional tender pages (Section D) may be inserted in the tender to achieve the desired number of minimum volumes.

SECTION 3

SPECIAL RULES AND ACCESSORIAL SERVICES

*For Explanation of Abbreviations and Reference Marks
See Section 5*

ITEM 305 RECEIPT AND ISSUE DURING OTHER THAN NORMAL BUSINESS HOURS (ORS)

1. When shipper requests receipt/issue service on normal business days, before or after normal business hours, carrier will provide such service subject to the following charges:

Receipt/issue service provided before or after normal business hours of the carrier shall be performed for a charge of ORS (1) \$_____ per hour or fraction thereof for each employee furnished, subject to a minimum charge of ORS (2) \$_____ per employee furnished.

2. Time will be computed from time truck/barge arrives at carrier's facility and reports to a responsible representative truck/barge is available for receipt/issue, to time receipt/issue is completed and carrier releases truck/barge. Carrier will note time required for receipt/issue on BL.

3. Request for receipt/issue on normal business day before or after normal business hours must be clearly and specifically annotated by carrier on the BL.

ITEM 310 ADDITIVE INJECTION BLENDING SERVICE (AIB)

1. The carrier will enter only those three-character ANSI codes applicable.

2. When required by DOD, carrier must provide necessary equipment for injecting and/or blending specified additives. The carrier may offer additive injection blending services by listing appropriate code on tender.

3. The charges in this item are for injecting and/or blending service only and do not include the cost of additives. Where applicable, costs of additives will be billed to the Government as provided in ITEM 205, ADVANCING CHARGES.

4. The following charges will apply only when specified services are requested by DOD. Charges are per barrel of products injected with additives.

Icing inhibitor.	<u>AIB</u> (1) \$_____per barrel
Corrosion additive	<u>AIB</u> (2) \$_____per barrel
Conductivity (anti-static) additive	<u>AIB</u> (3) \$_____per barrel

For example, where a carrier only wishes to offer services AIB (1) (injection of icing inhibitor) at a charge of one cent per barrel, that code and charge will be stated in Section F(3) of the tender, as follows:

<u>Service</u>	<u>Charge</u>
<u>AIB 1</u>	\$ 0 0 0 0 . 0 1 0 0 0

ITEM 315**FILTRATION SERVICE (FTR)**

1. The carrier will enter only those three-character ANSI codes applicable.
2. When filtration service is offered by the carrier and requested by DOD, it will be provided by carrier at a charge per barrel of product filtered:

Carrier-furnished filters/filter elements FTR (1) \$_____

Shipper-furnished filters/filter elements FTR (2) \$_____

Carrier uses tank-to-tank filtration FTR (3) \$_____

3. When carrier purchases filters/filter elements and charges DOD actual cost of filters/filter elements, as agreed to by the carrier and DESC, it shall be the right of DESC to verify the actual costs by examination of carrier's records or carrier furnished documentation. Any advancing of charges and billing costs to DOD shall be in accordance with the operating agreement between carrier and DESC.

ITEM 320**RECEIPT AND ISSUE (DEL)**

1. The responsibility for RI of petroleum product into a conveyance is established by agreement between carrier and DFSC.
2. In absence of an agreement with DFSC (as stated in paragraph 1 above), carrier will be responsible for RI of petroleum product.
3. Charges.

For receipt from a barge/or other waterborne vessel	DEL (1)\$____per barrel
For receipt from a tank truck or trailer.	DEL (2)\$____per barrel
For receipt from a rail tank car	DEL (3)\$____per barrel
For issue to a barge/or other waterborne vessel	DEL (4)\$____per barrel
For issue to a tank truck or trailer	DEL (5)\$____per barrel
For issue to a rail tank car	DEL (6)\$____per barrel
Barge booming.	DEL (7)\$____per RI

4. Where there is no additional charge for DEL (delivery charge included in the line-haul rate), completion of this item is not required.
5. Delivery will include all services necessary for efficient transfer of petroleum product between two conveyances of transportation, or from a conveyance to receiving facilities.

SECTION 4

RULES FOR INDIVIDUALIZED TRANSPORTATION

AND EXTRAORDINARY SITUATIONS

For Explanation of Abbreviations and Reference Marks
See Section 5

ITEM 400**PURPOSE AND APPLICATION OF SECTION 4**

1. The purpose of this section is to provide a means for individualizing rules and tender to meet needs of unique requirements of DOD.
2. The rules contained in a tender referring to this section will only apply to one-of-a-kind situations where SDDC has determined standard rules and/or standard tender format do not provide an appropriate means for describing services and basis of charges.
3. When provisions of individual tender rules developed under this section differ from, or conflict with provisions of other sections of this rules publication, provisions contained in any attachments to the tender issued pursuant to this section will apply.

ITEM 405**USE OF THIS SECTION**

1. The special rules in Section 4 may only be issued with prior approval of SDDC. Approval will be given only when a particular pipeline service is so unique that provisions of Sections 2 and 3 of this rules publication will not suffice.
2. When this section is applicable, carrier will reference Section 4, MFTRP No. 6A in Section B, Paragraph g (Governing Publications) of the tender.

ITEM 410**INDIVIDUALIZED TENDERS AND RULES**

1. On all tenders, Sections A, B, and C must be filled out in their entirety.
2. In tenders subject to Section 4 of this rules publication, it is mandatory that Section D, Paragraph 3, Table of Rates, be completed to include SPLC codes and locations of origin(s) and destination(s). The content and form of Section D will be as agreed to by SDDC and carrier.

SECTION 5

**ABBREVIATIONS, DEFINITIONS, REVISIONS FROM THE PREVIOUS EDITION AND DOMESTIC BUSINESS
COMMENT MATRIX**

ITEM 500**EXPLANATION OF ABBREVIATIONS**

AIB	Additive Injection Blending Service
API	American Petroleum Institute
ANSI	American National Standards Institute
ASTM	American Society for Testing Material
BBLS	Barrels
BL	Bill of Lading
CONUS	Continental United States
DE	Delivery Service
DFSC	Defense Fuel Supply Center
DOD	Department of Defense
FTR	Filtration Service
BL	Bill of Lading
CONUS	Continental United States
SDDC	Surface Deployment and Distribution Command
NMFC	National Motor Freight Classification
ORS	Other than Normal Business Hours
DEL	Receipt and Issue
SPLC	Standard Point Location Codes
TH	Transmix Handling

ITEM 505**DEFINITIONS**

American Society for Testing and Material (ASTM) - Organization for standardizing petroleum industry specifications and method of testing.

American National Standards Institute (ANSI), has served as coordinator of the U.S. private sector, voluntary standardization system for 85 years.

ASTM Table 6 - Standardized table for converting a measured volume of fuel to a standard 60 degrees Fahrenheit.

Barrel - Standard unit of measurement in the petroleum industry, equivalent to 42 standard U.S. gallons.

Barge Booming - A floating barrier around the barge during receipt/issue operations to prevent spread of any accidental spills of petroleum products.

Batch - Specific volume of fuel in a refinery or pipeline that is processed, treated, or moved in one operation.

Conveyance - Any of a number of different vehicles (barge, tanker, railcar, tank truck, etc.) used to move petroleum products.

Fuel System Icing Inhibitor (FSII) - Military jet fuel additive that absorbs small amounts of water from the fuel and which prevents freezing in aircraft fuel systems.

Line Fill - Quantity of fuel required to completely fill a section of pipeline.

Loss Tolerance - An agreed percentage of fuel that is lost during transit or in storage due to minor leaks and evaporation, etc.

Overtime - Hourly charges incurred beyond established working hours and which are in addition to regular working hours.

Terminaling - Receipt of fuel from an incoming transportation mode for the purpose of issuing that fuel for movement by another transportation mode. Terminaling charges may include but are not limited to fees for throughput, tank, truck, barge, or railcar loading, additive injection, filtration and dock fees. Some of these fees may be included as separate accessorial charges in the carrier's tender.

Transmix - A mixture of fuel, which occurs in a pipeline shipment that is caused when one batch of fuel pushes against another causing part of both batches to mix together.

ITEM 510**REVISIONS FROM THE PREVIOUS EDITION**

This publication (6A) has been changed from the previous edition. To maintain continuity, ITEMS appearing in both editions have the same ITEM number. The following table contains the status of:

- a. ITEMS appearing in both editions; status is (C) **Change** (R) **Revised** or (NC) **No Change**.
- b. ITEMS appearing for the first time in the 6A; status is (N) **New**.

ITEM Number	Current Status	ITEM Number	Current Status	ITEM Number	Current Status
SECTION 1		SECTION 4		SECTION 5	
5	Revised	400	No Change	500	No Change
10	Revised	405	No Change	505	Changed
20	No Change	410	No Change	510	No Change
25	No Change			511	New
30	No Change				
35	No Change				
40	No Change				
45	Changed				
50	Revised				
56	No Change				
57	No Change				
58	No Change				
65	No Change				
SECTION 2					
200	No Change				
205	No Change				
210	No Change				
215	Changed				
220	No Change				
225	Changed				
230	No Change				
235	No Change				
240	No Change				
250	No Change				
255	No Change				
260	No Change				
265	No Change				
270	No Change				
275	No Change				
280	No Change				
285	Changed				
SECTION 3					
305	Changed				
310	Changed				
315	Changed				
320	Changed				

Includes Changes through Change Three

EFFECTIVE: January 21, 2005

Military Surface Deployment and Distribution Command
Fort Eustis, VA 23604-5078

ITEM 511**DOMESTIC BUSINESS COMMENT MATRIX**

This format will be used to record and address document (publications, etc) changes/deletions/additions

Organization Branch	Pg#	Para #	Line #	Comments
Branch Submitter DSN/Com: XXX-XXXX	3	2a	36	Recommendation: (Changes/Additions/Deletions): Should read: Rationale:
Branch Submitter DSN/Com: XXX-XXXX	GEN			Recommendation: (Changes/Additions/Deletions): Should read: Rationale:

Follow procedures below to set up your table:

- 1) Select New Microsoft Word document: Select New Times Roman/12 Pitch Font
- 2) Fill out the first row exactly as shown in example above using New Times Roman /12 Pitch Font.
 - Note¹:** Include the Branch and the name and DSN or commercial # of the specific person in the section that made the comment.
 - Note²:** In the comment column place only one comment per row: **Recommendation: Changes/Addition/Deletions, Should read and Rationale** and provide comment, recommendation and rationale as shown in example.

Note: Please do not add additional columns or eliminate columns, use the format as shown. It is important that all comments are submitted with the six columns as outlined in the example. If you have General, comments for the document that does not correspond to a page # place the word 'GEN' under the page # column (see example). If there is no para # or line # leave blank. If there is a figure on a page that you need to address place figure # under para # column (see example).